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OM **ON OF SOCIAL SECURITY EXPENDITURES IN CANADA,
AUSTRALIA, NEW ZEALAND, UNITED KINGDOM
AND THE UNITED STATES, FISCAL YEARS
1961-62 TO 1966-67, INCLUSIVE**

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Publication of the Department of National Health and Welfare, Canada
March, 1970

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No 33 COMPARISON OF SOCIAL SECURITY EXPENDITURES IN CANADA,
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AND THE UNITED STATES, FISCAL YEARS
1961-62 TO 1966-67, INCLUSIVE

This report is the second in a series of publications on social security in Canada and abroad. The first report, "Social Security in Canada, 1961-62 to 1966-67, Inclusive," was issued in December 1969. The present report is intended to complement the first by providing a comparison of the social security systems of Canada, Australia, New Zealand, the United Kingdom, and the United States.

To those studies, the contributions of the four countries mentioned have been added. The report is intended to provide a broad picture of the social security systems of these countries.

Research and Statistics Directorate

Published by authority of
the Honourable John Munro
Minister of National Health and Welfare

Joseph W. Willard, Ph. D.
Deputy Minister of National Welfare

March, 1970



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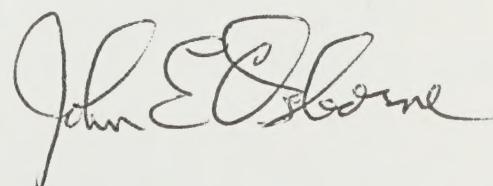
FOREWORD

This is the fourth study of public social security expenditures in Australia, Canada, New Zealand, the United Kingdom, and the United States which has been prepared in the Social Security Research Division of this Directorate.

A continued interest has been shown by persons and organizations in comparing Canada's social security expenditures with related expenditures in other countries.

In these studies, the expenditures by the five selected countries have had to be carefully classified by function before they could be examined on a comparable basis. Changes in existing programs over time have not caused too many classification problems, but new schemes, particularly those covering several functions, have introduced difficulties in classification. However, it is felt that the criteria for the inclusion of items in whole or part in the social security field have been successfully met and the resulting basic data are set out in Appendices I to XV, inclusive.

This memorandum is the work of Mr. Isidore Schachtel and Mr. Guy Fortier, under the general direction of Mr. John I. Clark, Principal Research Officer of the Social Security Research Division.



John E. Osborne, Director,
Research and Statistics.

SOCIAL SECURITY EXPENDITURES IN SELECTED COUNTRIES

Introduction

The past several years have been particularly important in the development of Canada's social security system. The introduction of the Canada Pension Plan, the Canada Assistance Plan, the Guaranteed Income Supplement, and the Medical Care program have all contributed significantly to this development.

This paper does not deal with the adequacy of programs but compares government expenditures on social security in five countries, i.e., Canada, Australia, New Zealand, the United Kingdom and the United States. These countries were selected because they are industrially advanced, use essentially similar concepts to calculate National Income, and have developed fairly comprehensive social security systems.

For purposes of this study, social security expenditures consist of government expenditures on health and social welfare benefits and services, including costs of administration. These include outlays for old age benefits, survivors benefits, family allowances, unemployment benefits, disability benefits, workmen's compensation, maternity benefits, veterans benefits, public medical and hospital care, public health services, welfare services and certain veteran services, together with the administrative costs of all these programs. Excluded are expenditures on housing, education, vocational training and price support programs. Superannuation or pension benefits for government employees are not included because they are made by the government in its capacity as their employer; industrial pension benefits provided by private employers are also excluded. Payments to social security funds by any level of government are not included in these expenditures as they are considered to be transfer payments. If they were included, together with the benefits and costs of services provided to the recipients, it would be duplicating the amounts involved.

Social security expenditures, as compiled for this study, also include outlays on compulsory, government-supervised programs administered by non-government agencies. Workmen's

compensation is an example. In Canada, while not a direct expenditure of the provincial governments, workmen's compensation programs are regulated by provincial law under government-created Boards. In Australia and New Zealand, legislation requires employers, in case of industrial injury to their employees, to provide for somewhat the same type of benefit as in Canada; in Australia, a large portion of the workmen's compensation program is handled on an insurance basis by private insurance companies.

Classification of Expenditures

Government expenditures on social security in each country have been classified into the following ten major categories:

Old age benefits	Workmen's compensation
Survivors benefits	Maternity benefits
Family allowances	Health services
Unemployment benefits	Veterans pensions and allowances
Disability benefits	Other

The expenditures proved difficult to classify because of the different types of programs in the five countries, the varied accounting procedures, the manner in which data were presented and the limitations of the data available. For example, widow's pensions in Australia, New Zealand and the United Kingdom include certain benefits which are not unlike Canadian mother's allowances. In the interests of comparability, mother's allowances in Canada and similar benefits in the United States have been included in the category "Survivors benefits". The tables have been footnoted to identify the benefits that have been included under each major category.

Use of Economic Indicators

One of the methods which is often used for measuring social security is by relating government social security expenditures to Gross National Product over time. However, there are certain reservations which should be kept in mind when using GNP as a basis for this form of comparison. The factors affecting changes in GNP may be quite different from those affecting changes in social security expenditures.

Real growth in GNP is affected by such factors as productivity gains, the quality and extent of education, the scale and amount of specialization in production, the extent of research and development. Social security expenditure growth in turn is affected by such factors as price inflation, wage increases, demographic changes, employment levels, and the extension and introduction of new social security programs. Consequently, two different variables are being examined. While the growth of GNP itself may be a factor which stimulates growth in social security expenditures, the reverse may not be so. Fluctuations in one or the other variable will affect the percentage relationship between these variables. A relatively high increase of social security expenditures as a per cent of GNP from one year to another may be attributable to a decreased rate of GNP growth. Table 3 has been designed to take into consideration fluctuations in these two variables by giving growth rates on a 5-year average basis, thereby smoothing out the effects of fluctuations of these variables as affected by factors underlying such changes.

The appendices to this paper give a breakdown of social security expenditures by type of benefit in current monetary and percentage terms and relates them to Gross National Product and Net National Income for each of the five countries studied.

It is emphasized that the expenditures shown for the countries other than Canada are not meant to represent what a country may consider as its total social security expenditures. It well may be that they include other programs and expenditures in their social security system which are not included in this study, but the concepts used to establish the criteria for social security expenditure have been applied to all countries so that the data, as published herein, may be used for comparative purposes.

Social Security Expenditures In Relation to Gross National Product

Table 1 below shows the relationship in percentage terms of government social security expenditures to gross national product for each of the countries being compared.

TABLE 1 - GOVERNMENT EXPENDITURE ON SOCIAL SECURITY AS A PERCENTAGE OF GROSS NATIONAL PRODUCT, SELECTED COUNTRIES FISCAL YEARS 1961-62 to 1966-67, INCLUSIVE.

Country	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
New Zealand	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.
United Kingdom	12.4	11.9	11.5	11.1	11.0	11.1
Canada	10.1	10.2	10.8	10.5	11.4	11.6
Australia	9.6	9.5	9.1	9.2	8.8	9.1
United States	8.3	8.0	7.9	7.6	7.8	7.8
	7.0	7.0	6.9	6.7	7.0	7.8

When these percentage relationships are examined, Canada is seen to occupy the central position amongst the five countries being compared. This position has been maintained by Canada since 1958-59. In the first comparative study(1), which covered fiscal year 1949-50, the economic standard chosen was net national income and Canada was centrally located among the five selected countries at that time also.

The percentage increase in GNP for both the United Kingdom and New Zealand were similar in 1965-66 and 1966-67, but social security expenditures, although showing a sharp rise in both countries, grew at a much faster rate in the United Kingdom than in New Zealand. The 1966-67 GNP growth in the United Kingdom, when related to 1964-65, was in the magnitude of 13.1 per cent whereas social security expenditures during the same period grew by 24.2 per cent. In New Zealand

(1) Social Security Expenditures in Australia, Canada, Great Britain, New Zealand and the United States 1949-50 - A Comparative Study, February 1954 (out of print).

the same period saw a GNP growth of 13.0 per cent and an expenditure growth of 12.4 per cent.

A similar comparison to that between the United Kingdom and New Zealand may be made for the same two-year period between Australia and the United States. Australia's GNP grew by 11.6 per cent and its social security expenditures by 14.4 per cent whereas in the United States GNP grew by 16.4 per cent and expenditures by 34.5 per cent.

The high growth of social security expenditures vis-a-vis GNP for both the United Kingdom and the United States resulted in the United Kingdom moving from second to first place in 1965-66, where it remained in 1966-67, and the United States moving from fifth to fourth place, tied with Australia in 1966-67.

The rapid growth of social security expenditures in the United Kingdom during this period resulted from increased benefit under National Assistance and from the introduction of a supplementary benefit scheme providing pensions for needy persons over pensionable age and supplementary allowances for needy persons aged 16 and up to pensionable age, as well as continued expenditure increases under health programs.

The United States' rapid expenditure growth during the same period came about because of increases in old age and survivors' benefits and health services in the second half of 1966 as a result of the 1965 amendments to their OASDHI program, which not only increased benefit levels but also introduced a medical care program for aged persons regardless of economic status.

When comparisons are made between per capita social security expenditures and per capita gross national product, as set out in Table 2 below in Canadian dollars, a somewhat different relationship emerges.

TABLE 2 - PER CAPITA GROSS NATIONAL PRODUCT AND SOCIAL SECURITY EXPENDITURES - SELECTED COUNTRIES, CANADIAN DOLLARS, 1966-67

Country	Per Capita GNP	Per Capita Social Security Expenditures	Per Capita Social Security Expenditures as a Per cent of Per Capita GNP
United States	\$ 4,175	\$ 325	7.8
Canada	2,939	267	9.1
Australia	2,294	180	7.8
New Zealand	2,101	232	11.1
United Kingdom	2,063	239	11.6

The United States and Canada with the highest and second highest per capita GNP had per capita expenditures in that order, but the relationship between these variables for Australia, New Zealand and United Kingdom are not correspondingly related by order of magnitude. Other factors such as the extent and comprehensiveness of the social security system and the level of benefits in cash and in services, institution of new programs and program changes affect the relationships between these variables. In Canada, for example, the factors such as the maturing of the Canada and Quebec Pension Plans, the implementation of the Canada Assistance Plan and Medical Care Insurance will increase social security expenditures and may cause these to grow faster than GNP. Similar influences on expenditures in the United States would be felt if family allowances, hospital and medical insurance programs were to be established on a universal basis.

TABLE 3 - AVERAGE ANNUAL INCREASE OVER THE FIVE-YEAR PERIOD,
1961-62 to 1966-67, IN SOCIAL SECURITY EXPENDITURES
AND IN GNP, SELECTED COUNTRIES

Country	Average Annual Increase Over 5-Year Period 1961-62 to 1966-67			
	Social Security Expenditures			Gross National Product
	Health	Welfare	Health & Welfare	
Canada	12.5	5.5	7.8	9.0
Australia	7.9	6.2	6.8	8.0
New Zealand	9.8	2.9	5.2	7.7
United States	12.0	8.9	9.5	7.1
United Kingdom	9.2	9.8	9.6	6.4

The above table shows that, over the period studied (1961-62 to 1966-67), social security expenditures increased less than proportionately to the rise in Gross National Product for Canada, Australia and New Zealand, whereas the reverse was true for both the United States and the United Kingdom.

The high growth of social security expenditures in the United Kingdom can be attributed to the 1964 amendments to the National Insurance Act which increased the levels of some social security benefits. The United States rate of growth was accelerated in 1966-67 by the introduction of a new health benefit program under the 1965 amendments to the Social Security Act. In the United Kingdom there was a 16 per cent increase in expenditures in 1965-66 over 1964-65 and another 7 per cent gain in 1966-67 over 1965-66, whereas in the United States there was a 13 per cent increase in benefits in 1965-66 over 1964-65, and a further 19 per cent increase in 1966-67 vis-a-vis 1965-66.

While it is true that the introduction of new programs and the raising of benefit levels both in the United Kingdom and the United States caused their expenditures on social security to increase more rapidly than their GNP for the 5-year period covered in this study, these two countries had the smallest percentage increase in GNP of the five countries for the period.

Gross National Product is sometimes taken as an indicator of the ability of a country to support its social security program. When this criterion is applied over the 5-year period (1961-62 to 1966-67) to the countries studied, it may be said that this ability to support the social security burden has increased for Canada, Australia and New Zealand but has decreased for the United States and the United Kingdom.

Health and Welfare Expenditure Trends

Table 4 looks at the overall increases in expenditures from 1961-62 to 1966-67 for social security in total and separately for its two segments, health and welfare.

The United Kingdom's total expenditures on social security increased by nearly 1.6 billion pounds or 57.2 per cent from 1961-62 to 1966-67. Although this was the biggest percentage increase of the five countries, the United States followed closely in second place with an increase of 56.3 per cent. Canada was in third place with an increase of 45.3 per cent followed by Australia with 38.6 per cent and New Zealand with 28.7 per cent.

A different order amongst the countries appears when health expenditure increases are looked at for the same period. Canada, which was in third place with its increase in social security expenditures, was in the first place showing a 79.0 per cent increase in health expenditures. The United States remained in second place with a 74.9 per cent increase, New Zealand occupied third position showing an increase of 59.8 per cent, followed by the United Kingdom with a 55.0 per cent increase and Australia with a rise of 46.3 per cent.

The United Kingdom, listed as first in social welfare expenditures, is followed by the United States, their respective percentage being 58.4 and 52.1 per cent. In this comparison, Australia ranked third with 35.0 per cent, Canada was fourth with 30.5 per cent and New Zealand was in final place with a 15.3 per cent increase in social welfare expenditures from 1961-62 to 1966-67.

TABLE 4 - GOVERNMENT EXPENDITURE ON HEALTH AND SOCIAL WELFARE,
FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

Country and Item	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
<u>Canada</u>		\$'millions	Canada			
Total	3,683	3,888	4,057	4,442	4,694	5,352
Health	1,126	1,247	1,334	1,544	1,674	2,016
Social Welfare	2,557	2,641	2,723	2,898	3,020	3,336
<u>Australia</u>		\$'millions	Australia			
Total	1,239	1,301	1,417	1,501	1,604	1,717
Health	391	422	448	491	538	572
Social Welfare	848	879	969	1,010	1,066	1,145
<u>New Zealand</u>		\$'millions	New Zealand			
Total	338	349	369	387	411	435
Health	102	111	120	135	149	163
Social Welfare	236	238	249	252	262	272
<u>United Kingdom</u>		£'millions	U.K.			
Total	2,764	2,937	3,305	3,450	4,063	4,346
Health	928	984	1,077	1,170	1,329	1,438
Social Welfare	1,836	1,953	2,228	2,280	2,734	2,908
<u>U.S.A.</u>		\$'millions	U.S.			
Total	38,012	40,108	42,156	44,173	50,038	59,408
Health	6,999	7,586	8,245	8,864	9,945	12,241
Social Welfare	31,013	32,522	33,911	35,309	40,093	47,167

When the monetary terms in Table 4 are translated into percentage terms the trends in expenditures are more easily recognizable. Tables 5 and 6 relate expenditures for both health and social welfare separately as percentages of total social security expenditures.

TABLE 5 - GOVERNMENT EXPENDITURE ON HEALTH AS A PERCENTAGE OF TOTAL SOCIAL SECURITY EXPENDITURE, FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

Country	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
	%	%	%	%	%	%
Canada	30.6	32.1	32.9	34.8	35.7	37.7
Australia	31.6	32.4	31.6	32.7	33.5	33.3
New Zealand	30.2	31.8	32.5	34.9	36.3	37.5
United Kingdom	33.6	33.5	32.6	33.9	32.7	33.1
United States of America	18.4	18.9	19.6	20.1	19.9	20.6

TABLE 6 - GOVERNMENT EXPENDITURE ON SOCIAL WELFARE AS A PERCENTAGE OF TOTAL SOCIAL SECURITY EXPENDITURE, FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

Country	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
	%	%	%	%	%	%
Canada	69.4	67.9	67.1	65.2	64.3	62.3
Australia	68.4	67.6	68.4	67.3	66.5	66.7
New Zealand	69.8	68.2	67.5	65.1	63.7	62.5
United Kingdom	66.4	66.5	67.4	66.1	67.3	66.9
United States of America	81.6	81.1	80.4	79.9	80.1	79.4

During the same period 1961-62 to 1966-67, health expenditures as a percentage of total social security expenditures increased for all countries except the United Kingdom. New Zealand showed the greatest gain, some 7.3 per cent, closely followed by Canada with an increase of 7.1 per cent. The United States was third with an increase of 2.2 per cent, Australia fourth with 1.7 per cent and the United Kingdom last with a decrease of 0.5 per cent.

Social Welfare expenditures show the opposite side of the coin, the United Kingdom being the only country showing a percentage increase. New Zealand showed the largest decrease followed by Canada, the United States and Australia.

When Tables 5 and 6 are examined together the balance between health expenditures and social welfare expenditures as a percentage of total social security expenditures has remained fairly stable.

TABLE 7 - YEAR-TO-YEAR AND 5-YEAR AVERAGE INCREASE IN HEALTH,
WELFARE AND TOTAL SOCIAL SECURITY EXPENDITURES,
SELECTED COUNTRIES, 1961-62 to 1966-67, INCLUSIVE

Country	1961-62 to 1962-63	1962-63 to 1963-64	1963-64 to 1964-65	1964-65 to 1965-66	1965-66 to 1966-67	5-Year Average
<u>Canada</u>	%	%	%	%	%	%
Health	10.8	6.9	15.8	8.4	20.4	12.5
Welfare	3.2	3.1	6.4	4.2	10.4	5.5
Total	5.6	4.3	9.5	5.7	14.0	7.8
<u>Australia</u>						
Health	7.8	6.1	9.7	9.6	6.3	7.9
Welfare	3.7	10.2	4.3	5.5	7.4	6.2
Total	5.0	8.9	6.0	6.9	7.0	6.8
<u>New Zealand</u>						
Health	8.8	7.9	12.3	10.9	9.3	9.8
Welfare	0.5	5.0	1.3	3.7	3.9	2.9
Total	3.0	5.9	4.9	6.2	5.9	5.2
<u>United Kingdom</u>						
Health	6.1	9.4	8.7	13.5	8.2	9.2
Welfare	6.4	14.1	4.5	17.4	6.4	9.8
Total	6.3	12.5	5.9	16.1	7.0	9.6
<u>United States</u>						
Health	8.4	8.7	7.5	12.2	23.1	12.0
Welfare	4.9	4.3	4.1	13.5	17.6	8.9
Total	5.5	5.1	4.8	13.3	18.7	9.5

The above table shows that growth in both health and welfare expenditures in all countries has not been stable. Each of these two main social security segments has experienced one or more peak years of growth in all the countries. These peaks can be accounted for by one or both of the following factors: changes in existing programs, including effects on benefits and coverage, and the introduction of new programs.

Some of the main reasons for the fluctuations in year-to-year growth of expenditures in the countries concerned are given below:

Recent Developments in Social Security, by Country

Canada. - The marked increase in the percentage growth in health expenditures in 1964-65 as compared to 1963-64 is mainly attributable to increased outlays for hospital care under the Hospital Insurance and Diagnostic Services Act. This also was the main reason for the 12 per cent increase in 1966-67 over 1965-66, although some portion of the rise was due to the introduction on July 1, 1966, of the Ontario Medical Services Insurance Plan.

The increased growth in welfare expenditures in 1964-65 as compared to 1963-64 was due to several developments: in September 1964, a universal Youth Allowances program was introduced under which a monthly allowance of \$10.00 is paid on behalf of all youths age 16 and 17 who are attending school full-time, or are prevented from doing so because of physical or mental infirmity; veterans pensions and allowances were increased during this period; from October 1963, the rate of Old Age Security pensions was raised from \$65 to \$75 a month; and, effective December 1963, amendments under the respective legislation allowed the maximum of benefits payable under Old Age Assistance, Blind and Disabled Persons Allowances to be raised from \$65 to \$75 a month.

The marked increase in 1966-67 over 1965-66 can be attributed to the lowering of the qualifying age for the Old Age Security pension from 70 to 69 from January 1, 1966, and to 68 from January 1, 1967, and to the introduction of the Guaranteed Income Supplement in January 1967. This latter program guaranteed a minimum annual income in 1967 of \$1,260 to all Old Age Security recipients consisting of \$900 Old Age Security pension and a maximum supplement of \$360 for those with little or no income other than their Old Age Security pension. The amount of the Supplement is reduced by one dollar for every two dollars of income other than the pension. There were also increased expenditures on mothers allowances and unemployment assistance programs.

Australia. - Australia had a 10.2 per cent increase in welfare expenditures in 1963-64 over 1962-63 which came as a result of an increase in the scale of benefits for aged, invalid, widowed and war pensions, as well as for retired and superannuated members of the Defence Forces.

There was a noted increase in expenditures on pharmaceutical benefits in 1964-65 and 1965-66. Some of this increase resulted from the adding of new drugs to the list of those eligible for pharmaceutical benefits and an increasing trend on the part of doctors to write more prescriptions for each patient including more hypnotic drugs, mainly barbiturates. These latter are becoming an increasing proportion of the total number of prescriptions written. A Drug Evaluation Committee was set up in June 1963 as a result of "recent revelations of the harmful side-effects of some hitherto widely used drugs and the rapidity with which many new and potent remedies were being introduced in therapy"(1). This Committee is composed of eminent authorities in the field of clinical medicine and pharmacology and its function is to report on the safety of drugs generally, evaluate specific drugs referred to it for opinion and act as an independent arbiter in cases where an importer or manufacturer of drugs desires a review of a prohibition imposed by the Health Department.

Amendments to the National Health Act 1953, passed in 1964, developed and strengthened the national health scheme. A new medical benefits schedule generally increased federal benefits by one third. This increase in benefits is reflected in the higher percentage growth in 1965 and 1966.

As a result of amendments to the Social Services Act in 1966, expenditures on welfare for 1966-67 showed an increasing trend over 1965-66. The Act was further amended in 1967 and these latter amendments varied the provisions relating to pensions by increasing rates, removing the nationality qualifications and liberalizing the means test.

Another feature of the 1967 amendments was the introduction of assistance to certain disabled persons engaged

(1) Australia in Facts and Figures No. 79, page 52.

in sheltered employment and for eligible organizations providing sheltered employment.

New Zealand. - The sudden rise in health expenditures in New Zealand in 1964-65 from 63-64 was caused by a change in accounting methods for hospital benefits and, beginning on April 1, 1964, the paying of medical benefits by the Department of Health from money appropriated by Parliament. In addition, since that date benefits are no longer paid to public hospitals for treatment of patients. Disability benefits increased by nearly 19 per cent in 1963-64 from the previous year and family allowances were also greater by nearly \$3,000,000 in 1963-64 than either the previous or the following year. These two items accounted for most of the relatively high growth in expenditures in that year.

The rise in social security expenditures in 1966-67 over 1965-66 was due to the increase in benefit rates effective May 18, 1966. The universal old age pension as well as superannuation benefits and widows, invalids and miners benefits were increased together with mothers allowances (payable in conjunction with widows benefits) and orphans benefits. Sickness and unemployment benefits were also raised. Further increases were effective from January 25, 1967, for these cash benefit programs.

U. S. A. - The relatively large percentage increase in both health and welfare expenditures in 1965-66 are due to the 1965 amendments to the OASDHI legislation. The amendments provide protection for workers and their families against high health care costs in old age. They also increase cash benefits under social security and make other substantial improvements to the program by providing for more adequate medical and income help for the needy, and improving the health care of handicapped children. Two new contributory health insurance programs for aged people were established, a basic plan providing hospital insurance and related care and a voluntary supplementary plan to cover physicians' services and other medical services not covered by the basic plan.

United Kingdom. - The sharp increase in expenditures in 1965-66 came as a result of the 1964 amendments to the National Insurance Act which increased both health and old age benefits, and to the introduction of a Supplementary Benefits

scheme. This scheme not only increased benefit levels but redesignated National Assistance as supplementary pensions for people over pension age and supplementary allowances for persons under pension age. The scheme applies the guaranteed income principle to a public assistance structure in that guaranteed minimum income applies unequivocally to the aged population and that all persons over pension age, if not on full-time work, have a statutory right to have their income brought up to a guaranteed weekly level, as have those receiving supplementary allowances.

Comparison of Benefit Categories

Table 8 below sets out for 1966-67 the percentage distribution of social security expenditures by certain main categories for each of the countries covered in this publication.

TABLE 8 - PERCENTAGE DISTRIBUTION OF SOCIAL SECURITY EXPENDITURES,
BY TYPE OF BENEFIT, SELECTED COUNTRIES, 1966-67

Type of Benefit	Canada	Australia	New Zealand	United Kingdom	United States
Old Age Benefit	p.c.	p.c.	p.c.	p.c.	p.c.
Survivors Benefits	21.4	26.0	28.8	33.9	35.3
Family Allowances	0.9	3.3	2.6	3.3	14.3
Unemployment Benefits	11.7	11.6	17.1	3.6	-
Disability Benefits	11.4	0.6	0.1	2.7	4.7
Workmen's Compensation	1.0	4.6	2.2	7.4	5.7
Maternity Benefits	3.0	5.6	1.7	2.5	2.5
Health Services	-	0.4	0.3	0.9	-
Veterans Pensions and Allowances	37.7	33.7	37.5	33.1	20.6
Other	5.7	12.0	7.1	2.7	7.7
Total	100.0	100.0	100.0	100.0	100.0

A number of interesting relationships amongst the various programs are brought out in the above table.

Old Age benefits were relatively high in all countries with Canada having the lowest percentage in this category of the five countries. Two reasons for this may be, firstly, that Canada has a lower percentage of its total population in the aged category than any of the other countries and, secondly, until quite recently other countries placed greater stress in this area of social security than did Canada. It is anticipated that expenditures for old age benefits will increase because of improvements made in the Old Age Security pension program, the implementation of the Guaranteed Income Supplement and the maturing of the Canada and Quebec Pension Plans.

The relatively high percentage ratios in the United States for old age, survivors, and disability benefits reflects the degree of sophistication achieved by the U.S. social security program (OASDHI) following many years of development and improvement.

On a percentage basis family allowances expenditures are important in New Zealand, Canada and Australia but considerably less so in the United Kingdom. This reflects the fact that the first three countries mentioned make payments for all children but in the United Kingdom payments are not made for the first child. The United States does not have a family allowances program.

Canada has a much higher percentage ratio of its social security expenditures for Unemployment Benefits than the other countries. The reasons for this are that Canada's expenditures under this item include benefits payable under the Unemployment Insurance program as well as payments made to needy unemployed and unemployable persons under the Unemployment Assistance Act. New Zealand and Australia only have Unemployment Assistance programs which are subject to a needs test. Benefits thereunder are consequently low and this explains the low percentages in these two countries. The low percentage in the United Kingdom is a reflection of the higher level of employment in that country in relation to Canada. Whereas the levels of employment in Canada and the United States were similar, the United States does not have a program comparable to Unemployment Assistance. Hence its percentage rate is much lower than in Canada.

The percentage of social security expenditures attributable to Health Services is high in all countries but relatively lower in the United States. Unlike the other countries which have universal health programs, the United States in the form of compulsory hospital insurance and voluntary medical care insurance provides medical benefits only to the aged population.

Among the five countries being compared, Canada has the lowest ratios with respect to Survivors and Disability Benefits because the only assistance for these categories until quite recently has been under means tested public assistance programs, but this situation is expected to change as the Canada and Quebec Pension Plans mature. Provision has been made in these Plans for the commencement of survivors benefits as from February 1968, and disability pensions as from May 1970.

Income Maintenance for the Aged

While individual programs may differ from country to country, income maintenance for the aged plays a major role in the social security structure of each. As shown in the table below, amounts spent on this item range from 21.4 per cent of total social security expenditures in Canada to 35.3 per cent in the United States.

TABLE 9 - OLD AGE BENEFITS, AS A PER CENT OF TOTAL SOCIAL SECURITY EXPENDITURES, SELECTED COUNTRIES, FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

Country	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
	%	%	%	%	%	%
United States	33.7	34.9	34.1	33.7	34.3	35.3
United Kingdom	32.5	31.8	33.1	33.1	34.4	33.9
New Zealand	28.4	28.5	28.1	28.5	27.7	28.8
Australia	26.9	26.6	26.0	26.3	25.8	26.0
Canada	18.7	20.8	21.8	22.0	21.8	21.4

Programs differ in qualifying age or in eligibility conditions. Some are universal, some are conditional and, in some cases, the universal basic pension has conditional supplementation. New Zealand has a universal, flat-rate program beginning at age 65 and an income-tested program for those age 60 (55 for an unmarried woman unable to work). Canada has a similar program which in 1967 paid a universal flat-rate pension for those age 68 and over. Beginning in that year also, old-age pension recipients could qualify for an income-tested supplement to their pension in order to bring them up to a guaranteed minimum income. At the same time there was an assistance program for those age 65 to 67 who were in need and who had not yet reached the qualifying age for the Old Age Security pension. Previous to 1966 the universal pension was paid at age 70 but, with the advent of the Canada Pension Plan, the qualifying age is being reduced yearly until 1970, when the qualifying age will be 65. Old-age assistance recipients upon reaching the qualifying age for the Old Age Security pension are transferred to that program.

Australia has a means-tested program for men age 65 and over and for women age 60 and over. The government bears the total cost of these pensions.

In the United Kingdom, retirement pensions under the National Insurance program are available at age 65 for men and at age 60 for women. This program provides for both a flat-rate pension and a graduated pension, subject to a retirement test up to age 70 for men and 65 for women.

In the United States, old age insurance benefits are available to both men and women actuarially reduced as early as age 62 and, in addition, there is a federal-state program of old age assistance for men and women, on a needs test basis, beginning at age 65.

CANADA - SOCIAL SECURITY EXPENDITURE BY TYPE OF BENEFIT,
FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

(\$'000 Canadian)

Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66 (a)	1966-67 (a)
I Old Age (b) Benefits	686,729	810,740	886,807	975,276	1,022,183	1,143,332
II Survivors (c) Benefits	36,997	36,505	36,914	36,371	36,170	49,300
III Family (d) Allowances	527,872	543,704	552,372	588,318	618,474	625,448
IV Unemployment Benefits (e)	621,609	579,843	559,676	553,355	544,666	610,876
V Disability Benefits (f)	38,375	45,777	47,064	54,231	61,800	53,072
VI Workmen's (g) Compensation	94,181	104,523	111,651	124,286	141,604	160,000
VII Maternity Benefits	-	-	-	-	-	-
VIII Health (h) Services	1,125,668	1,247,245	1,333,751	1,543,995	1,674,339	2,016,367
IX Veterans Pensions and Allowances	258,912	263,672	262,548	279,930	293,844	307,988
X Other (i)	292,744	255,639	265,760	286,473	301,089	385,374
XI Total	3,683,087	3,887,648	4,056,543	4,442,235	4,694,169	5,351,757

- (a) Includes provincial and municipal date of a preliminary nature.
- (b) Comprises old age security benefits, federal share of old age assistance and Canada Assistance Plan as well as equal amounts as the provincial share of those programs, guaranteed income supplement and Canada and Quebec Pension Plan benefits.
- (c) Mothers allowances.
- (d) Includes youth allowances, Quebec's allowances to pupils 16 - 18 years, and Family Assistance.
- (e) Comprises unemployment insurance benefits, federal share of unemployment assistance and provincial aid to unemployed employables and unemployables less provincial share of disability allowances, which is included in Item V, assistance to workers unemployed due to the Automobile agreement, and Canada Assistance Plan.
- (f) Comprises blind allowances, disabled persons allowances and Canada Assistance Plan.
- (g) Cash benefits; medical aid and hospitalization under this program are included in Item VIII.
- (h) Comprises federal, provincial and municipal general and public health and medical services and grants, medical aid and hospitalization under the workmen's compensation board.
- (i) Comprises income Maintenance payments to Indians, immigrants and farmers administration cost of income maintenance programs, federal welfare services and welfare grants, provincial child welfare and other provincial welfare services and all municipal welfare expenditures.

Principal Sources: Public Accounts of Canada and D.B.S. financial statistics of Provincial and Municipal Governments.

Appendix II

CANADA - PERCENTAGE DISTRIBUTION OF SOCIAL SECURITY EXPENDITURE, BY TYPE OF BENEFIT, FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66 (a)	1966-67 (a)
I Old Age Benefits	P.c. 18.7	P.c. 20.8	P.c. 21.8	P.c. 22.0	P.c. 21.8	P.c. 21.4
II Survivors Benefits	1.0	0.9	0.9	0.8	0.8	0.9
III Family Allowances	14.3	14.0	13.6	13.2	13.2	11.7
IV Unemployment Benefits	16.9	14.9	13.8	12.5	11.6	11.4
V Disability Benefits	1.0	1.2	1.2	1.2	1.3	1.0
VI Workmen's Compensation	2.6	2.7	2.7	2.8	3.0	3.0
VII Maternity Benefits	-	-	-	-	-	-
VIII Health Services	30.6	32.1	32.9	34.8	35.7	37.7
IX Veterans Pensions and Allowances	7.0	6.8	6.5	6.3	6.2	5.7
X Other	7.9	6.6	6.6	6.4	6.4	7.2
XI Total	100.0	100.0	100.0	100.0	100.0	100.0

(a) Includes estimated data.

Source: Appendix I.

Appendix III

CANADA - GOVERNMENT EXPENDITURE ON HEALTH AND SOCIAL WELFARE
FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

Item	1961-62	1962-63	1963-64	1964-65	1965-66 (a)	1966-67 (a)
Government Expenditure on Health and Social Welfare (\$'million Canadian)	3,683	3,888	4,057	4,442	4,694	5,352
Per Cent of National Income	12.8	12.5	12.1	12.3	11.8	12.2
Per Cent of G.N.P.	9.6	9.5	9.1	9.2	8.8	9.1
National Income (\$'million Canadian)	28,814	31,052	33,458	36,089	39,861	43,852
G.N.P. (\$'million Canadian)	38,202	41,123	44,358	48,332	53,516	58,822

(a) Includes estimated data.

Sources: Appendix I and D.B.S. National Accounts, Income and Expenditure

AUSTRALIA - SOCIAL SECURITY EXPENDITURE, BY TYPE OF BENEFIT,
 FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE
 (\$'000,000 Australian)

Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
I Old Age Benefits (a)	333.4	345.7	368.0	395.1	412.8	448.0 (b)
II Survivors Benefits (c)	30.2	31.4	41.6	47.0	50.0	56.4
III Family Allowances	132.8	135.4	168.8	172.8	176.4	199.3
IV Unemployment Benefits	25.3	21.3	13.5	6.8	7.8	11.2
V Disability Benefits (d)	57.6	63.3	68.9	70.3	71.4	78.9
VI Workmen's Compensation (e)	67.8	70.0	76.0	83.2	90.5	97.0 (b)
VII Maternity Benefits	7.8	7.6	7.5	7.3	7.2	7.3
VIII Health Services (f)	391.3	421.9	447.8	491.1	538.2	571.9 (b)
IX Veterans Pensions and Allowances	165.6	174.6	193.0	194.0	213.8	206.6
X Other (g)	26.8	29.6	31.5	33.6	36.0	40.0
XI Total	1,238.6	1,300.8	1,416.6	1,501.2	1,604.1	1,716.6

(a) Comprises age benefits and state relief of aged, indigents and eligible dependents. Age benefits separated from combined age and invalidity expenditures on a pro rata basis.
 (b) Includes estimated data.
 (c) Comprises benefits to aged widows, widows with dependent children, needy widows, deserted women, and women whose husbands have been imprisoned or declared insane.
 (d) Comprises invalid, sickness, special benefits, State expenditures re miner's phthisis. Invalidity pensions, combined with old age expenditures, were separated on a pro rata basis.
 (e) Comprises cash benefits and hospital and medical care.
 (f) Includes hospital, medical and pharmaceutical benefits, Commonwealth and State public health outlays, and health administration expenditures.
 (g) Comprises funeral benefits, rehabilitation and administration expenses of the Commonwealth Social Services and Repatriation Departments.

Appendix V

AUSTRALIA - PERCENTAGE DISTRIBUTION OF SOCIAL SECURITY EXPENDITURE, BY
TYPE OF BENEFIT, FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 (a)
I Old Age Benefits	p.c. 26.9	p.c. 26.6	p.c. 26.0	p.c. 26.3	p.c. 25.8	p.c. 26.1
II Survivors Pensions	2.4	2.4	2.9	3.1	3.1	3.3
III Family Allowances	10.7	10.4	11.9	11.5	11.0	11.6
IV Unemployment Benefits	2.0	1.6	1.0	0.5	0.5	0.7
V Disability Benefits	4.7	4.9	4.9	4.7	4.5	4.6
VI Workmen's Compensation	5.5	5.4	5.4	5.6	5.6	5.7
VII Maternity Benefits	0.6	0.6	0.5	0.5	0.4	0.4
VIII Health Services	31.6	32.4	31.6	32.7	33.6	33.3
IX Veterans Pensions and Allowances	13.4	13.4	13.6	12.9	13.3	12.0
X Other	2.2	2.3	2.2	2.2	2.2	2.3
XI Total	100.0	100.0	100.0	100.0	100.0	100.0

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(a) Includes estimated data.

Source: Appendix IV

Appendix VI

AUSTRALIA - GOVERNMENT EXPENDITURE ON HEALTH AND SOCIAL WELFARE
FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

Item	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 (a)
Government Expenditure on Health and Social Welfare (\$'million Australian)	1,239	1,301	1,417	1,501	1,604	1,717
Per Cent of National Income	10.3	10.0	9.8	9.5	9.8	10.1
Per Cent of G.N.P.	8.3	8.0	7.9	7.6	7.8	7.8
National Income (\$'million Australian)	11,993	12,982	14,455	15,807	16,431	17,000
G.N.P. (\$'million Australian)	14,975	16,236	17,998	19,706	20,591	22,000

(a) Includes estimated data.

Sources: Appendix IV and Australian National Accounts, National Income and Expenditure, 1962-63 to 1965-66.

NEW ZEALAND - SOCIAL SECURITY EXPENDITURE, BY TYPE OF BENEFIT,
FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE
(\$'000 New Zealand)

Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
I Old Age Benefits (a)	96,014	99,252	103,752	110,314	114,034	125,294
II Survivors Benefits (b)	8,798	9,184	9,662	10,326	10,596	11,438
III Family Allowances	78,404	74,906	77,566	74,764	78,760	74,392
IV Unemployment Benefits	160	326	322	196	142	140
V Disability Benefits (c)	7,792	7,662	9,098	8,744	8,862	9,632
VI Workmen's Compensation (d)	6,252	6,246	6,416	6,876	7,116	7,200 (e)
VII Maternity Benefits	3,510	3,718	3,608	1,556 (f)	1,518	1,500 (e)
VIII Health Services (g)	102,258	111,246	119,988	134,740 (h)	149,468	163,406 (e)
IX Veterans Pensions and Allowances (i)	27,534	28,342	29,662	29,918	30,454	30,918
X Other (j)	7,546	7,654	9,150	9,730	10,256	11,370 (e)
XI Total	338,268	348,536	369,224	387,164	411,206	435,290

(a) Comprises universal superannuation benefits and age benefits.
 (b) Comprises benefits to aged widows, widows with dependent children, women who have been deserted or whose husbands are in prison or in a mental hospital, and orphans' benefits.
 (c) Comprises benefits to blind persons or persons permanently unfit for work, and sickness benefits paid to persons temporarily unfit for work through illness or accident (other than under workmen's compensation).
 (d) Comprises cash benefits and hospital and medical benefits.
 (e) Partially or wholly estimated data.
 (f) Includes estimated data which are not available due to change in method of recording expenditures to hospitals.
 (g) Comprises hospital, medical and pharmaceutical benefits, expenditures for public hospitals, and health administration.
 (h) Includes that part of Maternity Benefits for which separate data are no longer available.
 (i) Comprises rehabilitation and war and other pensions.
 (j) Comprises supplementary assistance to needy persons, emergency benefits, child welfare, and administration expenditures of the Social Security Department.

Appendix VIII

NEW ZEALAND - PERCENTAGE DISTRIBUTION OF SOCIAL SECURITY EXPENDITURE, BY TYPE OF BENEFIT, FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

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Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 (a)
I Old Age Benefits	P.c. 28.4	P.c. 28.5	P.c. 28.1	P.c. 28.5	P.c. 27.7	P.c. 28.8
II Survivors Benefits	2.6	2.6	2.6	2.6	2.6	2.6
III Family Allowances	23.2	21.5	21.0	19.3	19.2	17.1
IV Unemployment Benefits	0.1	0.1	0.1	0.1	0.1	0.1
V Disability Benefits	2.3	2.2	2.5	2.3	2.1	2.2
VI Workmen's Compensation	1.9	1.8	1.7	1.8	1.7	1.7
VII Maternity Benefits	1.0	1.1	1.0	0.4	0.4	0.3
VIII Health Services	30.2	31.9	32.4	34.8	36.3	37.5
IX Veterans Pensions and Allowances	8.1	8.1	8.1	7.7	7.4	7.1
X Other	2.2	2.2	2.5	2.5	2.5	2.6
XI Total	100.0	100.0	100.0	100.0	100.0	100.0

(a) Includes estimated data.

Source: Appendix VII.

Appendix IX

NEW ZEALAND - GOVERNMENT EXPENDITURE ON HEALTH AND SOCIAL
WELFARE FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

ITEM	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 (a)
Government Expenditure on Health and Social Welfare (\$'million N.Z.)	338.3	348.5	369.2	387.2	411.2	435.3
Per Cent of National Income	14.6	13.9	13.5	12.9	12.8	12.8
Per Cent of G.N.P.	12.4	11.9	11.5	11.1	11.0	11.1
National Income (\$'million N.Z.)	2,314.0	2,505.6	2,744.6	2,993.7	3,218.2	3,392.3 (b)
G.N.P. (\$'million N.Z.)	2,720.8	2,924.4	3,200.2	3,482.8	3,735.9	3,937.1 (b)

(a) Includes estimated data.

(b) Provisional figure.

Sources: Appendix VII and New Zealand Monthly Abstract of Statistics, October, 1967.

UNITED KINGDOM - SOCIAL SECURITY EXPENDITURES, BY TYPE OF BENEFIT
FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

(£'000,000)

Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
I Old Age Pensions and Assistance (a)	898.9	935.1	1,093.5	1,159.1	1,399.2	1,473.0 (b)
II Survivors Benefits (c)	82.3	86.4	102.1	111.4	140.1	144.0 (b)
III Family Allowances	140.7	142.0	146.7	150.1	153.6	157.5 (b)
IV Unemployment Benefits and Assistance (d)	63.6	102.0	107.4	80.4	83.4	117.1
V Disability Benefits and Assistance (e)	192.1	202.4	238.2	249.6	304.5	320.9 (b)
VI Workmen's Compensation	66.4	67.6	81.8	87.6	104.3	107.5
VII Maternity Benefits	25.3	26.3	30.5	32.6	37.2	38.6 (b)
VIII Health Services (f)	927.5	984.4	1,077.1	1,170.5	1,328.9	1,437.7
IX Veterans Pensions and Allowances	103.6	101.8	109.9	110.4	120.9	118.7
X Other (g)	263.3	289.3	317.9	348.1	390.7	430.9
XI Total	2,763.7	2,937.3	3,305.1	3,499.8	4,062.8	4,345.9

(a) Comprises retirement pensions, National Assistance grants to old persons and non-contributory old age pensions. Non-contributory old age pensions ceased after November 26, 1966 when they were replaced by supplementary benefits.

(b) Includes estimated data.

(c) Comprises National Insurance benefits for aged and needy widows and for widows with children.

(d) Comprises National Insurance unemployment benefits and National Assistance grants to unemployed persons.

(e) Comprises National Insurance sickness benefits and National Assistance grants to sick persons.

(f) Comprises hospital and medical services as well as administration costs of the National Health Service and of local authorities.

(g) Principally welfare payments of the central government and local authorities, National Insurance outlays not included elsewhere above, other National Assistance grants and services, and administration costs.

Appendix XI

UNITED KINGDOM - PERCENTAGE DISTRIBUTION OF SOCIAL SECURITY EXPENDITURES,
BY TYPE OF BENEFIT, FISCAL YEARS 1961-62 TO 1966-67,
INCLUSIVE

Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 (a)
	p.c	p.c	p.c	p.c	p.c	p.c
I Old Age Benefits	32.5	31.8	33.1	33.1	34.4	33.9
II Survivors Benefits	3.0	2.9	3.1	3.2	3.4	3.3
III Family Allowances	5.1	4.8	4.4	4.3	3.8	3.6
IV Unemployment Benefits	2.3	3.5	3.3	2.3	2.1	2.7
V Disability Benefits	7.0	6.9	7.2	7.1	7.5	7.4
VI Workmen's Compensation	2.4	2.3	2.5	2.5	2.6	2.5
VII Maternity Benefits	0.9	0.9	0.9	0.9	0.9	0.9
VIII Health Services	33.6	33.5	32.6	33.5	32.7	33.1
IX Veterans Pensions and Allowances	3.7	3.5	3.3	3.2	3.0	2.7
X Other	9.5	9.9	9.6	9.9	9.6	9.9
XI Total	100.0	100.0	100.0	100.0	100.0	100.0

(a) Includes estimated data.

Source: Appendix X

UNITED KINGDOM - GOVERNMENT EXPENDITURE ON HEALTH AND SOCIAL
WELFARE, FISCAL YEARS 1961-62 TO 1966-67,
INCLUSIVE

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Item	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 (a)
Government Expenditures on Health and Social Welfare (£ 'millions)	2,764	2,937	3,305	3,500	4,063	4,346
Per Cent of National Income	12.4	12.6	13.3	13.1	14.3	14.7
Per Cent of G.N.P.	10.1	10.2	10.8	10.5	11.4	11.6
National Income - Calendar Year (£ 'millions)	22,363	23,358	24,811	26,748	28,456	29,578
G.N.P. - Calendar Year (£ 'millions)	27,485	28,851	30,617	33,180	35,571	37,536

(a) Includes estimated data.

Source: Appendix X and U.K. Annual Abstract of Statistics 1967.

UNITED STATES - SOCIAL SECURITY EXPENDITURE, BY TYPE OF BENEFIT,
FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE
(\$ '000,000 U.S.)

Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 (a)
I Old Age Benefits (b)	12,819	13,983	14,394	14,876	17,154	20,981
II Survivors Benefits (c)	4,400	4,672	5,158	5,554	6,492	8,501
III Family Allowances	-	-	-	-	-	-
IV Unemployment Benefits (d)	4,027	3,496	3,352	3,079	2,715	2,791
V Disability Benefits (e)	1,966	2,219	2,384	2,632	3,212	3,373
VI Workmen's Compensation (f)	1,009	1,084	1,151	1,255	1,358	1,470
VII Maternity Benefits	-	-	-	-	-	-
VIII Health Services (g)	6,999	7,586	8,245	8,864	9,945	12,241
IX Veterans Pensions and Allowances	3,775	3,947	4,033	4,156	4,424	4,555
X Other (h)	3,017	3,121	3,439	3,757	4,738	5,496
XI Total	38,012	40,108	42,156	44,173	50,038	59,408

(a) Preliminary figures.
 (b) Comprises OASDI benefits to retired workers, benefits to aged wives or dependent husbands of old age beneficiaries or their young wives if caring for child beneficiary; old age assistance including vendor medical payments, and all railroad retirement benefits.

(c) Comprises under OASDI benefits to aged widows and aged widowers, benefits paid to widows or dependent divorced wives of deceased workers caring for child beneficiaries, and benefits paid to children of deceased workers; and public assistance to families with dependent children.

(d) Comprises employment service, unemployment insurance benefits, and railroad unemployment insurance benefits.

(e) Comprises OASDI benefits to disabled workers and children and spouses of disability beneficiaries; railroad and state temporary disability insurance benefits; and aid to the blind and permanently and totally disabled, including vendor medical payments.

(f) Cash benefits.

(g) Comprises health and medical programs, hospital and medical benefits under workmen's compensation and state temporary disability insurance, public medical assistance for the aged, veterans' health and medical services and medical assistance.

(h) Comprises under OASDI benefits to children of old age beneficiaries and lump sum death payments; welfare services; special programs under the Economic Opportunity Act; and general assistance.

Principal Source: U.S. Social Security Bulletin, October 1965 and December 1967.

UNITED STATES - PERCENTAGE DISTRIBUTION OF SOCIAL SECURITY EXPENDITURE,
BY TYPE OF BENEFIT, FISCAL YEARS 1961-62 TO 1966-67,
INCLUSIVE

Type of Benefit	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 (a)
	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.
I Old Age Benefits	33.7	34.9	34.1	33.7	34.3	35.3
II Survivors Benefits	11.6	11.6	12.2	12.6	13.0	14.3
III Family Allowances	-	-	-	-	-	-
IV Unemployment Benefits	10.6	8.7	8.0	6.9	5.4	4.7
V Disability Benefits	5.2	5.5	5.6	6.0	6.4	5.7
VI Workmen's Compensation	2.7	2.7	2.7	2.8	2.7	2.5
VII Maternity Benefits	-	-	-	-	-	-
VIII Health Services	18.4	18.9	19.6	20.1	19.9	20.6
IX Veterans Pensions and Allowances	9.9	9.9	9.6	9.4	8.8	7.7
X Other	7.9	7.8	8.2	8.5	9.5	9.2
XI Total	100.0	100.0	100.0	100.0	100.0	100.0

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(a) Includes estimated data.

Source: Appendix XIII

Appendix XV

UNITED STATES - GOVERNMENT EXPENDITURE ON HEALTH AND SOCIAL WELFARE
FISCAL YEARS 1961-62 TO 1966-67, INCLUSIVE

Item	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 (a)
Government Expenditures on Health and Social Welfare (\$'million U.S.)	38,012	40,108	42,156	44,173	50,038	59,408
Per Cent of National Income	8.5	8.6	8.4	8.2	8.5	9.4
Per Cent of G.N.P.	7.0	7.0	6.9	6.7	7.0	7.8
National Income (\$'million U.S.)	444,725	468,500	499,325	538,700	590,000	633,550
G.N.P. (\$'million U.S.)	541,725	574,500	611,550	655,525	715,250	763,075

(a) Includes estimated data.

Sources: Appendix XIII and Survey of Current Business, U.S. Department of Commerce
(various issues commencing January 1963).

